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**THE HONORABLE FRANK C. CARLUCCI TESTIMONY
BEFORE THE
HOUSE INTELLIGENCE COMMITTEE'S
SUBCOMMITTEE ON TERRORISM AND HOMELAND
SECURITY**

Mr. Chairman, Ms. Harman, Members of the Committee:

Thank you for inviting me to participate in this panel. Your subject is a critical one. My experience includes service in all four national security departments, and I can testify to the importance of effective coordination. If we didn't have a NSC we would have to invent one. State, CIA and DOD all need fixing. The NSC doesn't.

At the outset, let me assert my view that in the wake of the September 11th attack, we have seen an extremely well coordinated operation. The President has led and inspired the people, the Secretary of State has pulled together a remarkable coalition, the Secretary of Defense has designed a military strategy which fits

with the Administration's "total approach" and the CIA is moving to increase our intelligence effectiveness after having been hobbled by restrictions and leaks for far too long.

Let me now address your questions.

Every President has a different style but all want quick and accurate information, good advice and effective policy implementation. The NSC is the decision channel, particularly in a crisis, and Ronald Reagan used it that way.

Two examples: when a coup attempt was mounted against then President Cory Aquino, the President was at the Century Plaza Hotel in Los Angeles. George Shultz called me and said quick action on our part was essential to save democracy in the Philippines. He recommended we put planes in the air. After checking with the Secretary of Defense, I went to the President's room, explained the situation and received the necessary authority. The whole matter took about 15 minutes. The planes had the desired effect.

When I was Secretary of Defense, we had a naval engagement with Iran, during which we sank half of their Navy.

They initiated the firefight by firing on one of our frigates and we responded. We put planes in the air but the Rules of Engagement didn't allow them to act unless directly fired upon. With a plane hovering over an Iranian frigate, I called NSA Colin Powell and asked for a change in the ROE to allow that plane to drop its bombs. I had an affirmative response within 5 minutes and the ship was sunk.

From what I have read and seen, Condi Rice is functioning very effectively as NSA. She clearly has access to and the confidence of the President, the two most essential ingredients for a NSA. She is also a person of substance who is an advisor, not just a transmission belt. Yet she is careful not to overstep the bounds and become operational or upstage the Secretary of State or Defense, a daunting task in any event given the two personalities involved.

I can only guess at the questions the President is putting to the NSA, but the range is certainly large. High on the list would be battle damage assessments and reports of any US casualties. Then would come "how long can they last." International reaction, particularly in the Muslim world, is of critical interest as is the possibility of unrest in friendly Arab states.

In this kind of crisis a President should expect of his NSA:

- 1) Complete and accurate flow of information;
- 2) An analysis of that information;
- 3) A clear presentation of decisions to be made and the respective positions of his national security team on each decision;
- 4) Her own recommendations; and
- 5) An ability to execute. This means commanding the respect of the entire national security team.

I have no inside knowledge of Gov. Ridge's mandate, but its public articulation is clear: mobilize the USG for homeland defense. This is an enormous task as there are reportedly some 40 bureaucracies that have to be coordinated. I have been a coordinator three times and it is not easy. On two of these assignments, I had strong Presidential support and it worked. In another, I had a congressional mandate and no presidential support and it failed.

All of which is by way of saying that presidential support is the critical element, and Gov. Ridge appears to have that in

abundance. At this point, his parameters can only be defined in the broadest sense. His task will not be to define his power in theory but to force agencies to work toward common goals. If he speaks for the President, agency heads will listen. If he speaks for himself, his authority will erode.

In that sense, confirmation would be a handicap because it would remove him from the White House Staff, the ultimate source of bureaucratic power. Clout in a bureaucracy is directly proportional to a confidential relationship with the President. Making the coordinator subject to testimony undermines that confidential relationship. It also leads to the creation of another agency, which must in turn be coordinated.

I do not favor direct budget authority for the Homeland Defense Coordinator. That would disrupt the operations of existing agencies. But I do support budget input. OMB should not approve an agency's budget until they have received Gov. Ridge's views.

Relations between Gov. Ridge and NSC will be critical, but will also be a work in progress. Most of Gov. Ridge's activities, I predict, will be devoted to mobilizing law enforcement and other

domestic agencies. He will find the NSC a more efficient way of dealing with the national security agencies than approaching them directly. Likewise, the NSC will be responsive to Gov. Ridge, because that is what the President wants.

I assume Gen. Downing will be the focal point for interaction between Homeland Defense and the NSC. For example, if Gov. Ridge wants more emphasis on a certain category of intelligence, his staff would go to Gen. Downing who, if he agreed, would talk to the DCI, DOD and possibly State. Differences, if there are any, would escalate, if necessary to the NSC level.

In this role, Gen. Downing should report to the National Security Advisor. The requirement is to have the White House speak with a single voice. Much will depend on the personal relationships. I would argue that the NSC in the Reagan Administration was at its most effective when Colin Powell was NSA because all the personalities were compatible.

The cyber czar is just what it says. His job is to get the different agencies to deal with an identifiable problem. He too will have to work closely with Gov. Ridge's staff. I think the jury is

still out on whether he should be part of the NSC or part of Homeland Defense. I would lean toward the latter.

No system is perfect. Government effectiveness, like effectiveness in business, depends more on the people than the organizational structure. Fortunately, in this case we have outstanding people who enjoy the support of the President. The ingredients for success are there!